



Memorandum

TO: Council Agenda

FROM: Mayor Sam Liccardo
Vice Mayor Rose Herrera
Councilmember Chappie Jones
Councilmember Johnny Khamis

SUBJECT: EXPANDING INFORMATION
TECHNOLOGY CAPACITY

DATE: June 5, 2015

APPROVED:

Johnny Khamis *Rose Herrera* *Chappie Jones*
Sam Liccardo CS.

RECOMMENDATION

Accept the Staff Report, and direct the City Manager to explore the following recommendations related to the City's Technology Investment Strategy and return to the Rules Committee with a workload assessment that prioritizes measures that can be quickly implemented, but refers items requiring more extensive staff work to the Council's prioritization process:

1. Include, as part of the Employee Suggestion Program, rewards for City employees who develop and deploy technological solutions that improve City services and drive a culture of innovation;
2. Develop a framework that forges partnerships with technology companies and local research universities that support City objectives. Establish an Information Technology (IT) Advisory Group, consisting of key private sector, university, and foundation experts, to provide strategic recommendations to the City on current and future opportunities in technology;
3. Develop an Information Communication Technology Master Plan that focuses on ensuring San José's internet infrastructure remains competitive in its economic development efforts to recruit companies and talent to San José;
4. Develop a technological baseline that allows for connectivity and collaboration among Departments and systems through compatibility with open source, mobile, and open data platforms. Create a Customer Relationship Management Strategic Plan to integrate systems across Departments and function;
5. Develop a framework for increased use of data analytics to improve City services and infrastructure;
6. Review IT systems, expertise, and capacity to determine whether we can improve efficiencies and avoid inconsistent technology adoption by centralizing IT services. Identify Department IT functions that are not currently managed by Information Technology Department (ITD) and analyze the costs and benefits of direct ITD management.

BACKGROUND

As Silicon Valley's urban center, San José is strategically positioned to develop and embrace information and communication technology tools-- ranging from information-based systems to sensors and cloud-based platforms-- that can improve City services and our residents' quality of life.

San José's Technology Investment Strategy should position San José as an innovation leader in three key areas: infrastructure, City services, and civic engagement, where investments can lead to increased organizational excellence and service delivery.

1. Infrastructure applications can drive down costs and improve the use of city resources. Examples include expedited permitting processes and more efficient planning in utility repair projects that allows the City to "dig once" with the use of sensor technology.
2. City services can benefit from integrated emergency response systems and the use of predictive analytics to more efficiently deploy City services, to cite two examples.
3. Civic engagement technology can open up new possibilities to connect residents with their communities, and with City Hall, in real time and provide for greater accountability.

Opportunities to Learn from Proven Models and Successes

For the past ten years the Information Technology Department (ITD) staff have overcome severe cuts in budget and personnel to implement innovative projects, reduce costs, and spur economic development, e.g.,

- The next-generation municipal wireless network has delivered a best-in-class experience and reduced expenses for our Convention Center customers while boosting revenue within its first year of implementation;
- Office 365 productivity enhancements allow for mobile access to information. By securely storing City data in the cloud, our employees can more effectively engage with our community and efficiently engage with one another with the help of mobile access to information, rather than returning to the office to do so;
- The Downtown High Speed Internet Incentive Pilot that provided 1 Gigabit internet access to commercial buildings with high vacancy rates has spurred the creation of a co-working accelerator dedicated to helping new businesses start and scale in San José.

The budget constraints of the past 10 years have led to an accumulated backlog of unfunded technology projects totaling \$8.5 million. The last major investment in technology came with the opening of City Hall. The current infrastructure, even with the successful implementations noted above, has reached its capacity, and outdated legacy systems undermine workforce productivity. Now is the time to introduce innovative technologies with investments that will return exponential improvements in service, efficiencies, and effectiveness.

Investment in staffing and expertise is as critical a need as the investment in technology and equipment. Both are required to develop and roll-out a strategy that takes advantage of and responds to a rapidly changing technological environment.